

Remarks:

Applicant has reviewed the office action mailed March 10, 2003. For the reasons set forth below, Applicant believes that the claims as amended are patentable over the prior art of record. Reconsideration of the claims as amended is therefore respectfully requested.

1. The examiner has continued to reject claims 1-3, 5-10, 12-15 and 17-20 under 35 USC 103 as being unpatentable over U.S. Patent No. 6,119,093 to Walker et al. in view of Official Notice.

(a) posting proposals to assume selected risks

Applicant continues to disagree with the Examiner's characterization of the teaching of the Walker et al. '093 patent as it relates to the rejected claims. Claim 1 has been amended to more clearly identify the distinctions between the claimed method and the method disclosed in the Walker et al. '093 patent. As an initial matter, applicant is not disputing that the user or investor of Walker et al. '093 would be considered a risk carrier and the insurance company or primary insurer would be considered a risk cedant.

The claims, including 1-3, 5-10, 12-15 and 17-20, have been amended to more clearly cover the method in which the risk carrier posts, on a server, proposals to assume selected risks and the risk cedent submits that proposal as an offer to cede a

selected risk to the risk carrier. In the Walker et al. '093 patent, it is the risk cedent who posts proposals to cede selected risks on the server and it is the risk carrier who makes the offer to assume a selected risk. This is the opposite of what is claimed. The Examiner's response to Applicant's arguments ignores the separate and distinct steps required by the claim of 1) **posting of a proposal** by the risk carrier to assume selected risks and 2) **enabling submission** by a risk cedent of one of the proposals **as an offer** to cede a selected risk. The Examiner seems to argue that the posting step and offering step are the same, which they clearly are not. In addition, the posting step and offering step are not performed by the same entities in the claimed method as they are in the Walker et al. '093 patent. Claim 1 has been amended to emphasize these distinctions.

As noted in applicant's response to the first office action, it would not have been obvious to one skilled in the art to modify the method taught by Walker et al. to develop the method of posting by the risk carrier of proposals to assume selected risks from a risk cedent who submits the proposals as an offer to cede a selected risk. The system disclosed by Walker et al. contemplates a system where individual credit card holders can use their excess credit limit on a credit card to buy a share of

a portion of an insurance policy. It would not be obvious to turn the method of Walker et al. around to allow the individual credit card holders to post proposals on the server to buy a share of a selected insurance policy. The portion of the total risk that could be assumed by any one credit card holder would appear relatively small, making it relatively inefficient for a cedant to have to view and chose between the large number of proposals it would probably take to obtain an adequate or desired amount of reinsurance. Therefore, it would not have been obvious to one skilled in the art to modify Walker et al. to obtain the claimed method.

(b)&(e) initializing and recalculating capacity

The Examiner continues to argue that the claimed step of "initializing on said server an available risk assumption capacity of said risk carrier associated with said proposals" is met by the "central server (120, Fig. 1) [that] transmits to the insurance company server policy information used to calculate the amount of premium to be paid to each investor...". In addition, the Examiner argues that the claimed step of "electronically recalculating said available risk assumption capacity upon accepting said offer" is met by the central server which "transmits updated syndication and transaction information (108, fig. 1) to the insurance company server..."

The Examiner's arguments still fail to point out where the Walker et al. '093 patent discloses the step of "initializing on said server an available risk assumption capacity" or the step of "electronically recalculating said available risk assumption capacity". Neither "policy information used to calculate the amount of premium to be paid by each investor" nor "updated syndication and transaction information" comprises "available risk assumption capacity." In the absence of any specific reference in the Walker et al '093 patent to a step of "initializing on said server an available risk assumption capacity" or the step of "recalculating said available risk assumption capacity" the Examiner's rejection should be withdrawn.

It would not have been obvious to one skilled in the art to initialize the risk assumption capacity on the server in which the proposals are posted, because the Walker et al. system is designed to encourage a large number of credit card holders to utilize the system to assume risks using their unused credit limits on their credit cards as collateral. Since, the identity of the potential users is generally not known prior to their accessing the system to make an offer on one of the posted insurance policies, it does not make sense and would not be obvious, to try to initialize the information concerning the

user's credit limit on the same server that the insurance policies are posted, particularly when the information concerning their credit limit is readily accessible from the credit card issuing bank server.

In addition, it is assumed that the credit card holders, will utilize their credit cards for other transactions affecting the credit limit, making it difficult to track or accurately recalculate the unused credit limit if this information were initialized on the same server on which the insurance policies are posted in Walker et al. Therefore it would not have been obvious to modify Walker et al. to produce the method as claimed including the steps of initializing the risk assumption capacity on the server on which proposals are posted and electronically recalculating the available risk assumption capacity upon accepting an offer.

(f) electronically withdrawing proposals from availability

The Examiner acknowledges that Walker et al. fail to teach the claimed step of "electronically withdrawing from availability any of said proposals whose acceptance would reduce said available risk assumption capacity as recalculated, below a selected amount." However, the Examiner continues to argue that this step would have been obvious to one skilled in the art because it is well known in the insurance industry to restrict

"user access to certain information once the user has selected a specific type of insurance".

As an initial matter, Applicant respectfully requests that the Examiner document that it is well known in the insurance industry to restrict user access to certain information once the user has selected a specific type of insurance.

More importantly, the Examiner misses the distinction between restricting access to certain pages or information once a user selects pages associated with a different topic as is alleged to be well known in the art versus the claimed step in which the risk cedents are prevented from submitting as offers to cede risk those proposals whose acceptance would reduce the available risk assumption capacity below a selected amount, by withdrawing from availability for submission any such proposals. This specific step is neither taught by nor suggested by Walker et al. '093 or the "well known prior art". Claim 1 has been amended to more clearly address this distinction.

As noted in the response to the first office action, since the user in Walker et al. can determine, with each offer it makes, the amount of risk it wants to assume, there is really no way for the system to determine, in advance of submission of an offer, whether a potential user has sufficient unused credit to cover the assumed risk. Therefore, there is no way for the

system to determine which proposals to withdraw from availability.

In addition, one of the suggested advantages of the Walker et al. system is that it can bring together a large number of persons who individually have only a small amount of capital, but collectively control a large amount of capital and are in search of a suitable investment vehicle, namely collecting a percentage of insurance premiums for a policy in exchange for assuming a portion of the risk by pledging unused credit on a credit card. It would seem counterproductive to this purported advantage to limit in advance the proposals on which a credit card holder could invest, since the potential investors/credit card holders have the option of choosing the amount of risk they want to assume.

In view of the foregoing it is respectfully submitted that it would not have been obvious to one skilled in the art to modify the Walker et al. method to provide the step of electronically withdrawing from availability for submission of any of said proposals as an offer to cede a selected risk whose acceptance would reduce said available risk assumption capacity as recalculated, below a selected amount.

Claims 2-21 have been amended in a manner similar to the amendments to Claim 1 as discussed above and it is therefore

submitted that claims 1-21 are patentable over the prior art of record.

2. Claims 4 and 14 were rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al. in view of "CNA Life RE Pilots Online System for Direct Writers and Reinsurers" by Bestwire (hereinafter "Bestwire"). The Bestwire article is dated November 12, 1999, which is less than one year prior to the filing date of the present application, which was filed January 4, 2000. Applicant reserves the right to attempt to antecede the Bestwire reference if Claims 4 and 14 are not otherwise found to be patentable over the prior art of record.

3. Claim 8 was rejected by the Examiner as being obvious in view of Walker et al. for essentially the same reasons that Claim 1 was rejected. Applicant traverses this rejection for the same reasons as set forth above with respect to Claim 1.

4. Claim 15 was rejected based upon Walker et al. The Examiner acknowledges that Walker et al. fails to teach the step of "enabling said cedents to electronically decrease said amount of coverage of one of said proposals before submission of said proposal for acceptance." However the Examiner argues that it

would have been obvious to modify Walker et al. to do so on the grounds that "it is old and well known in the insurance industry to decrease an insurance premium by decreasing the amount of coverage before signing and agreeing on a set price for an insurance policy." However, Walker et al. does not discuss enabling the cedent to electronically decrease the amount of coverage of a proposal before posting it as an invitation to make an offer by a risk carrier. Walker et al. discuss allowing the credit card holder or risk carrier to reduce the amount of risk it wants to assume, but that is different from allowing the cedent to reduce the amount of coverage of a proposal to assume a selected risk.

5. Claim 11 was rejected under 35 U.S.C. 103(a) as being unpatentable over the Bestwire reference, Walker et al. and Official Notice.

In rejecting Claim 11, the Examiner continues to rely on the Bestwire reference as providing the steps of "(a) evaluating an insurance portfolio of each of a plurality of cedents"; and "(b) developing proposals to reinsure selected insurance portfolios...". In addressing Applicant's previous arguments that the Bestwire reference seems to address facultative type reinsurance and not treaty type reinsurance, the Examiner argues

that this feature is not recited in the rejected claims. Applicant has now amended Claim 11 to specifically indicate that the method to sell reinsurance is specifically a method for selling treaty type reinsurance.

In rejecting Claim 11, the Examiner relies on the Walker et al. reference for the same reasons as he did in rejecting Claim 1. Applicant incorporates by reference the grounds for overcoming the Examiner's rejection of Claim 1 with respect to his rejection as to Claim 11, and in particular as applied to sub-elements (d), (i) and (j) of Claim 11. With respect to element (j) of Claim 11, Applicant further notes that there is no teaching or suggestion in Bestwire, that the "available reinsurance capacity" or anything comparable should be taken into consideration in determining which proposals should be made available or presented to the cedents. Therefore, it is respectfully submitted that Claim 11 is also patentable over the prior art of record.

6. Claim 16 was rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al., the Bestwire reference and Official Notice. In rejecting Claim 16, the Examiner relies on the Walker et al. reference for the same reasons as he did in rejecting Claim 1. Applicant incorporates by reference the

grounds for overcoming the Examiner's rejection of Claim 1, with respect to the rejection as to Claim 16. Applicant also incorporates by reference the grounds for overcoming the Examiner's rejection of Claim 11, with respect to the rejection of Claim 16. With respect to element (g) of Claim 16, Applicant further notes that there is no teaching or suggestion in Bestwire, that the "available reinsurance capacity" or anything comparable should be taken into consideration in determining which proposals should be made available or presented to the cedents. In addition, none of the prior art of record teaches or suggest differentiating between the "available cedent capacity" and the "available per occurrence capacity" which are defined in the specification beginning on page 19, line 14 and continuing through page 20, line 12. Therefore, it is respectfully submitted that Claim 16 is also patentable over the prior art of record.

7. For the reasons noted above it is also respectfully submitted that Claim 21 is patentable over the prior art of record.

8. Request for an Interview:

Applicant respectfully requests that this amendment be entered but that the Examiner contact Applicant's attorney of record before acting on the amendment to attempt to schedule an interview before the Examiner must act on the amendment.

Applicants have considered the additional prior art cited by the examiner, but not applied against the claims. The claims, as amended, are deemed to be patentable over these references as well.


In view of the amendments contained herein and the above remarks, it is respectfully submitted that claims 1-21 are clear and definite and that they are patentable over the prior art of record. Accordingly, the examiner is requested to issue an early notice of allowance indicating such.

In the event that the examiner is of the opinion that the prosecution of this application can be advanced thereby, he is invited to contact applicant's attorney at the telephone number listed below.

Respectfully submitted,

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Serial No. 09/477,057

Certificate of Mailing

I hereby certify that this Amendment for application Serial No. 09/477,057, filed January 4, 2000, is being deposited with the United States Postal Service with sufficient postage as first class mail in an envelope addressed to: Mail Stop RCE, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on July 10, 2003.

Robert Klaus
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By 
Kent R. Erickson

July 10, 2003

(Date of Signature)

CHANGES RELATIVE TO PREVIOUS VERSION OF THE CLAIMS
(Additions underlined and deletions in brackets)

1. A method for a risk carrier to assume monetary risks from a plurality of risk cedents, comprising the steps of:
 - (a) posting on a server ^{reinsurer} by said risk carrier of a plurality of proposals to assume selected risks of respective ^{primary insurers} risk cedents such that said proposals are viewable through a computer network;
 - (b) initializing on said server an available risk assumption capacity of said risk carrier associated with said proposals;
 - (c) enabling electronic submission by any one of said ^{primary insurer} cedents of one of said proposals to assume selected risks associated [there]with ^{primary insurer} said cedent as an offer by said ^{primary insurer} cedent to cede a selected risk for acceptance by ^{reinsurer} said risk carrier;
 - (d) electronically accepting, by said risk carrier, said offer submitted by one of said risk cedents;
 - (e) electronically recalculating said available risk assumption capacity upon accepting said offer; and
 - (f) electronically withdrawing from availability for submission as an offer any of said proposals whose acceptance by said risk carrier would reduce said

available risk assumption capacity, as recalculated,
below a selected amount.

5. A method for a risk carrier to assume monetary risks from a plurality of risk cedents, comprising the steps of:
 - (a) posting on a server by said risk carrier of a proposal to assume a monetary risk of selected risk cedents such that said proposal is viewable by said selected risk cedents through a computer network;
 - (b) initializing on said server an available risk assumption capacity of said risk carrier to accept said proposal from said selected risk cedents;
 - (c) enabling electronic submission by any one of said selected risk cedents of said proposal to assume a monetary risk as an offer to cede the monetary risk for acceptance by said risk carrier;
 - (d) electronically accepting, by said risk carrier, said offer submitted by one of said selected risk cedents;
 - (e) electronically recalculating said available risk assumption capacity upon accepting said offer; and
 - (f) electronically withdrawing said proposal from availability for submission as an offer to cede the monetary risk if further acceptance of said

[proposal]offer would reduce said available risk assumption capacity, as recalculated, below a selected amount.

8. A method for ceding a plurality of monetary risks from a risk cedent to a risk carrier, comprising the steps of:
 - (a) posting on a server by said risk carrier of a plurality of proposals to assume a plurality of risks of said cedent such that said proposals are viewable by said cedent through a computer network;
 - (b) initializing on said server an available risk assumption capacity for an amount of risk said risk carrier will assume from said risk cedent;
 - (c) enabling electronic submission by said cedent of any one said proposals to assume a plurality of risks as an offer to cede the plurality of risks for acceptance by said risk carrier;
 - (d) electronically accepting, by said risk carrier, said offer submitted by said cedent;
 - (e) electronically recalculating said available risk assumption capacity upon accepting said offer; and
 - (f) electronically withdrawing from availability for submission as an offer any of said proposals which have

not been submitted for acceptance and whose acceptance would reduce said available risk assumption capacity, as recalculated, below a selected amount.

11. A method for a reinsurer to sell treaty type reinsurance to a plurality of selected cedents, comprising the steps of:
- (a) evaluating an insurance portfolio of each of a plurality of cedents;
 - (b) developing proposals to reinsure selected insurance portfolios of said selected cedents;
 - (c) posting of said proposals on a server by said reinsurer such that said proposals are viewable through a computer network;
 - (d) initializing on said server an available reinsurance capacity of said reinsurer to accept said proposals;
 - (e) providing access through said computer network to said selected cedents to view said proposals;
 - (f) enabling electronic submission by any one of said selected cedents of one of said proposals as an offer to cede a selected risk for acceptance by said reinsurer;
 - (g) receiving said offer from said cedent by said reinsurer;

- (h) electronically accepting, by said reinsurer, said offer from said cedent;
- (i) electronically recalculating said available reinsurance capacity upon accepting said offer; and
- (j) electronically withdrawing from availability for submission as an offer to cede a selected risk any of said proposals whose acceptance would reduce said available reinsurance capacity, as recalculated, below a selected amount.

16. A method for a reinsurer to sell reinsurance for a plurality of classes of insurance to a plurality of cedents, comprising the steps of:

- (a) developing, for each of said classes of insurance, a proposal to reinsure insurance portfolios of said cedents;
- (b) posting of said proposals on a server by said reinsurer such that selected ones of said proposals are viewable by selected ones of said cedents through a computer network;

- (c) initializing on said server an available cedent capacity for each of said cedents and an available per occurrence capacity for each of said proposals;
- (d) enabling electronic submission by any one of said cedents of one of said proposals to assume selected risks associated [there]with said cedent as an offer to cede a selected risk for acceptance by said reinsurer;
- (e) electronically accepting by said reinsurer of said offer submitted by one of said selected cedents;
- (f) electronically recalculating said available cedent capacity of said cedent and said available per occurrence capacity of said proposal upon accepting said offer; and
- (g) electronically withdrawing from availability for submission as an offer any of said proposals whose acceptance would reduce said available cedent capacity or said available per occurrence capacity, as recalculated, below a selected amount.

21. A method for a risk carrier to assume monetary risks from a plurality of risk cedents, comprising the steps of:

- (a) posting, by said risk carrier, on a computer network, a plurality of proposals to assume selected risks of respective risk cedents such that said proposals are viewable through said computer network;
- (b) initializing on said computer network an available risk assumption capacity of said risk carrier associated with said proposals;
- (c) enabling electronic submission by any one of said cedents of one of said proposals associated therewith as an offer to cede a selected risk for acceptance by said risk carrier;
- (d) electronically accepting, by said risk carrier, said offer submitted by one of said risk cedents;
- (e) electronically recalculating said available risk assumption capacity upon accepting said offer; and
- (f) electronically withdrawing from availability for submission as an offer any of said proposals whose acceptance would reduce said available risk assumption capacity, as recalculated, below a selected amount, such that electronic submission of any of said

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proposals which have been withdrawn from availability
is prevented.